

VZCZCXRO4379

PP RUEHAG RUEHAST RUEHBI RUEHCI RUEHDBU RUEHDF RUEHIK RUEHLH RUEHLN
RUEHLZ RUEHNEH RUEHPW RUEHROV RUEHSK RUEHSL RUEHSR RUEHVK RUEHYG
DE RUEHAH #1216 2681022

ZNR UUUUU ZZH

P 251022Z SEP 09

FM AMEMBASSY ASHGABAT

TO RUEHC/SECSTATE WASHDC 3512

INFO RUCPDOC/DEPT OF COMMERCE WASHDC PRIORITY

RUEATRS/DEPT OF TREASURY WASHDC PRIORITY

RUCNCLS/ALL SOUTH AND CENTRAL ASIA COLLECTIVE

RUCNCIS/CIS COLLECTIVE

RUCNMEM/EU MEMBER STATES COLLECTIVE

RUEHAK/AMEMBASSY ANKARA 5707

RUEHBJ/AMEMBASSY BEIJING 3422

RUEHKO/AMEMBASSY TOKYO 3286

RUEHIT/AMCONSUL ISTANBUL 3950

RUCNDT/USMISSION USUN NEW YORK 1164

RHMCSUU/CDR USCENTCOM MACDILL AFB FL

RUEHVEN/USMISSION USOSCE 3931

RUEAIIA/CIA WASHDC

RHEFDIA/DIA WASHDC

RHEHNSC/NSC WASHDC

RUEKJCS/SECDEF WASHDC

RUEKJCS/JOINT STAFF WASHDC

UNCLAS ASHGABAT 001216

SENSITIVE

SIPDIS

STATE FOR SCA/CEN; EEB; NEA/IR
ENERGY FOR EKIMOFF/BURPOE/COHEN
COMMERCE FOR EHOUSE

E.O. 12958: N/A

TAGS: EPET PGOV EINV TX

SUBJECT: NEW SUPPORT FOR TURKMEN OIL AND GAS INSTITUTE

¶1. (U) Sensitive but unclassified. Not for public Internet.

¶2. (SBU) Turkmengaz, the state-owned Turkmen gas company, first established its Institute of Oil and Gas in the 1970s. Since that time, the Institute has served as a think tank for Turkmenistan's oil and gas industry. The Institute is responsible for developing and introducing new technologies in the country's oil and gas sector, conducting technical experiments on materials used in the industry, and providing on-demand technical advice to State oil and gas companies.

¶3. (SBU) The Institute recently provided state oil and gas companies with advice on technologies such as horizontal and directional drilling, hydrofracturing, re-perforation of production horizon, open hole completion, well stimulation by sidetracking, minimization of well drowning, removing liquid from bottomholes, and mud acid treatment. Institute faculty also participated in developing a geologic-hydrodynamic model of the South Yoloten gas field in southeastern Turkmenistan, while playing a key role in formulating the GOTX's estimate of the field's natural gas reserves.

¶4. (SBU) Although the Institute has provided the GOTX with valuable technical advice over the years, the Institute traditionally received little government support in the form of increased salaries, social benefits, the provision of necessary work-related materials, and career development opportunities, in comparison with state oil and gas companies. According to an Institute of Oil and Gas employee, however, Institute conditions have improved recently as the government has paid more attention to education and science, and state oil and gas companies have received funding for increased scientific research. This Institute employee also asserted that the procurement of general and technical materials has improved significantly, and the government even announced plans to build a new home for the Institute not far from Turkmenistan's oil and gas agencies and organizations. The employee was optimistic about the Institute's future prospects and was confident that the Institute will receive more and more government support.

¶5. (SBU) COMMENT: The government and top management of the state oil and gas companies seem to realize that supporting the Oil and Gas Institute is crucial if Turkmenistan wants to develop a skilled cadre of hydrocarbon experts. Government support for the National Oil and Gas Institute is consistent with the government's current goal to play a larger role in the global energy market. Nevertheless, aspiring Turkmen petroleum scientists will require more intensified math and science training in Turkmen primary and secondary schools, or there will be few Turkmen scientists capable of filling the offices of the Institute's new building. END COMMENT.

CURRAN